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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended February 29, 1992

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period ended _____

Commission File Number: 033-13556-D

REGIONAL EQUITIES CORPORATION

(Exact name of registrant as specified in its charter)

Colorado84-1122431

(State of Incorporation)

(I.R.S. Employer I.D. Number)

1210 South Parker Road, Suite 200, Denver, CO80231

(Address of Principal Executive Offices)

(Zip Code)

(303) 369-6633

(Registrant's telephone number including area code)

(Former name, address and fiscal year if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes☐ No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

☐ Yes☐ No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

February 29, 1992

No Par, Common Stock 101,000,000 shares
Class A, B, C Redeemable Wts. 148,800,000 Warrants

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

See attached.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company completed its public offering of common stock units (including A, B and C warrants) in May, 1990. The maximum amount of \$480,000 was reached and net proceeds after all related expenses was approximately \$392,000. The Company's working capital at February 29, 1992 is nearly equal to its equity with excellent liquidity as a result of the funds raised in the public offering. It is not incurring any significant operating or general and administrative expenses on a regular basis at the current time. It utilizes the office space of its president on a rent free basis but does pay for office supplies, long distance telephone and secretarial support on an as incurred basis.

In September, 1990, the Company began its preliminary evaluation of possible business opportunities in its search for a suitable merger, acquisition or joint venture equity investment candidate. During the period through the date of this report, travel and other various related expenses have been incurred. Such expenses will be kept to a minimum commensurate with the opportunities available and the investigation required. It is expected that the regular interest earnings on its working capital funds on deposit in a financial institution will continue to provide adequate funds for the aforementioned expenses. The Company is not currently engaged in any active negotiations related to such an opportunity but continues to review possible candidates on an ongoing basis.

PART II - OTHER INFORMATION

Items 1 through 6 of this Part are not applicable (unless noted below) as there are no such matters required to be reported.

Item 2. Changes in Securities

(a) The Company's warrants to purchase its common shares designated as A, B and C warrants have each been extended for a period of one year through April 12, 1993, 1994 and 1995, respectively. All other terms of the warrants remain the same.

Item 6. Exhibits and Reports on Form 8-k

(b) The Company has filed a report on Form 8-k concurrent with this Form 10-Q to report its common stock purchase warrants (Class A, B and C) have been extended for a period of one year each. The warrants allow the holders to purchase its common shares at a price of \$.02, \$.03 and \$.04 through April 12, 1993, 1994 and 1995, respectively.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

REGIONAL EQUITIES CORPORATION

April 10, 1992
Date

April 10, 1992
Date

James Harbic
M. James Harbic, President

James A. Hesman
James A. Hesman, Treasurer

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
BALANCE SHEETS

	February 29, <u>1992</u>	November 30, <u>1991</u>
ASSETS		
Current Assets		
Cash in bank	\$ 23,192	\$ 33,121
Certificates of deposit	374,120	374,120
Accrued interest receivable	<u>16,103</u>	<u>11,426</u>
	<u>413,415</u>	<u>418,667</u>
Other Assets		
Organization costs	<u>242</u>	<u>267</u>
TOTAL ASSETS	<u>\$ 413,657</u>	<u>\$ 418,934</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ <u>2,327</u>	\$ <u>428</u>
Income Taxes Payable	<u>-</u>	<u>2,511</u>
TOTAL LIABILITIES	<u>2,327</u>	<u>2,939</u>
Stockholders' Equity		
Common stock	405,809	405,809
Retained earnings	<u>5,521</u>	<u>10,186</u>
TOTAL STOCKHOLDERS' EQUITY	<u>411,330</u>	<u>415,995</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 413,657</u>	<u>\$ 418,934</u>

The accompanying notes are an integral part of this statement.

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
STATEMENT OF OPERATIONS
FOR THE QUARTER AND THREE MONTHS ENDED FEBRUARY 29, 1992
AND THE PERIOD FROM INCEPTION (AUGUST 3, 1989)
THROUGH FEBRUARY 29, 1992

	Quarter	Year To Date	Cumulative
REVENUES	\$ -	\$ -	\$ -
EXPENSES			
Amortization	25	25	258
Office expense/supplies	1,935	1,935	6,171
Postage and delivery	-	-	14
Stock listing expense	250	250	6,743
Travel and entertainment	3,152	3,152	12,420
Subscriptions	-	-	1,338
Bank charges	-	-	227
Professional fees	<u>3,980</u>	<u>3,980</u>	<u>7,750</u>
TOTAL EXPENSES	<u>9,342</u>	<u>9,342</u>	<u>34,921</u>
OTHER INCOME - Interest	<u>4,677</u>	<u>4,677</u>	<u>42,953</u>
INCOME (LOSS) BEFORE INCOME TAXES	(4,665)	(4,665)	8,032
INCOME TAX PROVISION	<u>-</u>	<u>-</u>	<u>2,511</u>
NET INCOME (LOSS)	<u>\$ (4,665)</u>	<u>\$ (4,665)</u>	<u>\$ 5,521</u>
NET INCOME (LOSS) PER COMMON SHARE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM INCEPTION (AUGUST 3, 1989) TO FEBRUARY 29, 1992

	<u>Common Stock</u>		Retained
	<u>Shares</u>	<u>Amount</u>	Earnings (Deficit)
Balances, Inception	-	\$ -	\$ -
Sale of common shares (Note 3)-			
For cash, \$.0001 per share	31,200,000	3,120	
For cash, \$.0003 per share	20,800,000	6,240	
For cash, \$.004 per share	1,000,000	4,000	
Net loss for the period			(254)
Balances, November 30, 1989	53,000,000	13,360	(254)
Sale of common shares (Note 3)-			
Gross cash proceeds	48,000,000	480,000	
Offering costs		(87,651)	
Sale of underwriter warrants		100	
Net loss for the year			(60)
Balances, November 30, 1990	101,000,000	405,809	(314)
Net income for the year			10,500
Balances, November 30, 1991	101,000,000	\$405,809	\$ 10,186
Net loss for the three months ended February 29, 1992			(4,665)
Balances, February 29, 1992	<u>101,000,000</u>	<u>\$405,809</u>	<u>\$ 5,521</u>

The accompanying notes are an integral part of this statement.

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
STATEMENT OF CASH FLOWS

FOR THE QUARTER AND THREE MONTHS ENDED FEBRUARY 29, 1992
AND THE PERIOD FROM INCEPTION (AUGUST 3, 1989) THROUGH FEBRUARY 29, 1992

	<u>February 29, 1992</u>	<u>Year</u>	<u>Inception</u>
	<u>Quarter</u>	<u>To Date</u>	<u>through</u>
			<u>2/29/92</u>
OPERATING ACTIVITIES			
Net income (loss)	\$ (4,665)	\$ (4,665)	\$ 5,521
Adjustments to reconcile net loss to cash provided by operating activities-			
Amortization	25	25	258
In(De)crease in accounts payable	(612)	(612)	2,327
Net cash provided by operations	<u>(5,252)</u>	<u>(5,252)</u>	<u>8,106</u>
INVESTING ACTIVITIES			
Payment for organization costs	-	-	(500)
Increase in cert. of deposit	-	-	(374,120)
(In)Decrease in acc interest rec.	(4,677)	(4,677)	(16,103)
Net cash applied to investing	<u>(4,677)</u>	<u>(4,677)</u>	<u>(390,723)</u>
FINANCING ACTIVITIES			
Issuance of common stock	-	-	493,360
Sale of underwriter warrants	-	-	100
Payment of offering costs	-	-	(87,651)
Net cash provided by financing	<u>-</u>	<u>-</u>	<u>405,809</u>
NET INCREASE (DECREASE) IN CASH	(9,929)	(9,929)	23,192
CASH, BEGINNING OF PERIOD	<u>33,121</u>	<u>33,121</u>	<u>-</u>
CASH, END OF PERIOD	<u>\$ 23,192</u>	<u>\$ 23,192</u>	<u>\$ 23,192</u>

The accompanying notes are an integral part of this statement.

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
February 29, 1992

NOTE A - ORGANIZATION AND BUSINESS

Regional Equities Corporation (a development stage company) was incorporated under the laws of the State of Colorado on August 3, 1989. The Company intends to evaluate various business opportunities for the purpose of a business merger, acquisition or joint venture equity investment. As the Company has not entered into any such transactions and is not presently involved in any negotiations regarding such an opportunity, it is considered to be in the development stage as defined by Statement 7 of the Financial Accounting Standards Board.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Organization Costs - These costs include professional fees and other expenses directly attributable to the Company's organization and are amortized using the straight line method over a period of five years.

Net Income (Loss) per Common Share - The net income (loss) per common share is determined using the weighted average number of shares issued and outstanding during the period, according to Rules of the Securities and Exchange Commission. Such rules require that any stock sold at a nominal value, as compared to the public offering price should be considered outstanding for the entire period of operations.

Cash Flows - For purposes of reporting cash flows, cash and cash equivalents include only cash in regular checking and money market accounts with withdrawals by check permitted. All short term investments, i.e. certificates of deposit are not included in cash and cash equivalents regardless of their original maturities.

NOTE C - CERTIFICATES OF DEPOSIT

The Company invests its excess cash funds in certificates of deposit with a commercial banking institution. The maturities of such certificates ranges from 90 to 360 days at interest rates ranging from 4.7% to 5.85%.

REGIONAL EQUITIES CORPORATION
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
February 29, 1992

NOTE C - STOCKHOLDERS' EQUITY

In May, 1990, the Company successfully completed a public offering of 80,000 units consisting of 600 shares of its common stock, 600 Class A Warrants, 600 Class B Warrants and 600 Class C Warrants. Each Class A Warrant entitles the holder to purchase one share of common stock at \$.02 per share until April 12, 1993; each Class B Warrant entitles the holder to purchase one share of common stock at \$.03 per share until April 12, 1994; each Class C Warrant entitles the holder to purchase one share of common stock at \$.04 per share until April 12, 1995. The gross proceeds of the offering were \$480,000 and the related offering expenses were \$87,651. In connection with the offering, the Company sold to its underwriter for \$100 warrants to purchase 4,800,000 shares of its common stock at a price of \$.012 per share until April 12, 1995. Through February 29, 1992, no warrants have been exercised.

Prior to the public offering, the Company sold 53,000,000 shares of its common stock for cash at various prices per share receiving \$13,360 in gross proceeds.

NOTE D - RELATED PARTY TRANSACTIONS

The Company occupies space in the offices of its President on a rent free basis. It pays for office supplies, long distance telephone, secretarial services and professional accounting services provided by a company in which its President is a shareholder on an as incurred basis. The amount of such charges were \$4,117 and \$1,177 for the years ended November 30, 1991 and 1990, respectively. Such charges were \$887 for the quarter ended February 29, 1992.

NOTE E - INCOME TAXES

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due. The Company has no reporting differences between financial and tax reporting.